

Damaan Islamic Insurance Company (Beema)

Beema Q3 2025 Earnings Call – Transcript (Prepared Remarks)

Held on 3 November 2025

Participants:

- **Mr. Harikrishnan Ganapathy**, Chief Operating Officer (COO)
 - **Mr. Dinesh Pahwa**, Senior Vice President – Finance
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Opening remarks – Mr. Harikrishnan Ganapathy, Chief Operating Officer (COO)

Good afternoon, Ladies and Gentlemen,

It's a pleasure to welcome our valued shareholders and all participants to today's conference call. My name is Hari Krishnan, and I serve as the Chief Operating Officer at Beema. I am joined today by my colleague Dinesh Pahwa, our Head of Finance, who will take you through the financial and operational highlights for the third quarter of 2025.

I'm pleased to share that Beema continued its strong momentum into the third quarter. Our Takaful contributions reached 413.4 million Qatari Riyals, a 31 percent increase compared to the same period last year, reflecting growth across all our main business lines and the strength of our underwriting approach. Meanwhile, net profit for shareholders rose to 78.9 million Qatari Riyals, up 27 percent year-on-year, supported by solid investment performance and improved income from our Takaful operations.

Beyond the headline numbers, we've continued to make meaningful progress in areas that are key to Beema's long-term growth. We've strengthened our digital capabilities, streamlined internal processes to improve agility, and taken steps to enhance the customer experience. These initiatives may not always be visible in the short term, but they are shaping Beema into a stronger, more resilient company that is fully aligned with Qatar's Vision 2030.

We also take pride in the strength of Beema's governance framework and the robustness of our capital base, which continue to underpin our progress. These foundations are critical not only for navigating today's challenges but also for building long-term value and maintaining the trust of our stakeholders.

With that, I will now hand over to Dinesh, who will walk you through our financial performance in more detail.

Financial overview – Mr. Dinesh Pahwa, Senior Vice President – Finance, Finance Department

Thank you, Hari, and good afternoon everyone. I'm pleased to walk you through Beema's financial performance for the nine-month period ended 30 September 2025.

Before we turn to the numbers, I'd like to briefly note that our financials continue to reflect the adoption of FAS 43, the new accounting standard governing the recognition and measurement of Takaful and Re-takaful arrangements. This standard, implemented in the beginning of the year, enhances the transparency and comparability of our reporting. As previously noted, certain prior-year figures were restated as part of this transition, with no impact on Beema's underlying financial performance or capital position.

With that in mind, let me now walk you through the highlights.

Turning to Slide 5 of the investor presentation, Beema's Recognized Takaful Contributions increased by roughly 30.6 percent year-on-year, reaching 413 million Qatari Riyals. Growth was strong across all core business lines, led by the Fire and General Accident segment, which rose from 61 million to 100 million Qatari Riyals, along with solid gains in the Takaful and Health segment, increasing from 166 million to 201 million Qatari Riyals.

In terms of segment mix, Takaful and Health remains the largest at roughly 201 million Qatari Riyals, followed by Motor at 101 million and Fire and General Accident at 100 million. This reflects the continued strength and balance of Beema's portfolio, as well as our ongoing success in acquiring new business.

In parallel, we achieved a notable increase in Takaful Gross Margin, reaching 18 million Qatari Riyals, up from 10 million Qatari Riyals last year, supported by stronger underwriting across our portfolio. At the same time, our re-takaful cost ratio improved, declining to 14 percent from 18 percent.

These improvements resulted in a higher Takaful Gross Margin for the period, at 4 percent compared to 3 percent in the previous year, reflecting the positive impact of our disciplined approach.

Turning to Slide 6 — total income attributable to shareholders rose by 33 percent year-on-year to 141 million Qatari Riyals. This was largely supported by a 34 percent increase in Wakala fees, which reached 110 million Qatari Riyals compared with 82 million Qatari Riyals last year.

We also recorded solid growth in Net Income from Shareholders' Investments and Mudarib shares, which were up by 33 percent and 36 percent respectively. As a result, shareholders' net profit grew by 27 percent to 79 million Qatari Riyals, while earnings per share rose from 0.31 to 0.39 Qatari Riyals over the same period.

I'm also pleased to note that the net surplus for the period reached 2.5 million Qatari Riyals, compared to a deficit in the same period last year. This positive shift was mainly supported by higher investment income to policyholders, which rose to 23.5 million Qatari Riyals from 16.4 million Qatari Riyals, along with a reduction in the loss from net takaful results during the period. This improvement underscores the strength and stability of our takaful operations, supported by the prudent management of policyholders' funds.

Turning to Slide 7, the value of our investments held at fair value increased to approximately 952 million Qatari Riyals. Throughout the third quarter of 2025, we maintained a zero-leverage position across the portfolio, reflecting our ongoing focus on disciplined capital management and the deleveraging measures put in place over recent years.

The portfolio remains well positioned, with an emphasis on high-quality sukuk held through managed funds, providing both resilience and steady returns. This contributed to a 39 percent year-on-year increase in Net Investment Income, which reached 37 million Qatari Riyals.

As highlighted in Slide 8, Beema remains on a strong financial footing, anchored by a debt-free capital structure. Shareholders' equity stood at 605 million Qatari Riyals as of 30 September 2025, supported by growth in retained earnings and a positive fair value reserve, compared to a negative balance at 31 December 2024, reflecting our prudent balance sheet management.

Our liquidity position remains robust, with cash and bank balances of approximately 315 million Qatari Riyals, ensuring we have the flexibility to fund operations and pursue growth opportunities.

In summary, the results for the third quarter of 2025 reflect continued momentum and financial strength across our business. Thank you for your attention, and I'll now hand it back to Hari.

Closing remarks – Mr. Harikrishnan Ganapathy, Chief Operating Officer (COO)

Before we close, I want to express my sincere gratitude to our shareholders, customers, and the entire Beema team for their ongoing trust and support. We look forward to sharing updates with you following our full-year results.

The full financial statements and investor presentation are available on our website, and our Investor Relations team is always available to answer any questions you may have.

Thank you once again for joining us today, and I wish you all a pleasant day.

End of Prepared Remarks